

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3945

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 25, 2020

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 3945 (1R) with committee amendments.

This bill extends accidental disability and accidental death benefits to eligible law enforcement officers, firefighters, and emergency medical responders enrolled in the Police and Firemen's Retirement System (PFRS), Public Employees' Retirement System (PERS), and State Police Retirement System (SPRS) who contract COVID-19 during the public health emergency in this State declared by the Governor in Executive Order No. 103 and as extended by the Governor.

In order to qualify for accidental disability benefits, law enforcement officers, firefighters, and emergency medical responders enrolled in the systems must sustain a permanent and total disability as a result of a traumatic event occurring during and as a result of regular or assigned duties. This bill provides that a permanent and total disability will be deemed to have occurred as a direct result of a traumatic event occurring during and as a result of the performance of regular or assigned duties if:

- the member contracts COVID-19 and tests positive for SARS-CoV-2 during the public health emergency;

- the member is permanently and totally disabled as a result of COVID-19; and

- the member's regular or assigned duties required the member to interact, and the member so interacted, with the public or to directly supervise other personnel so interacting with the public on any date during the public health emergency and within 14 calendar days prior to the appearance of symptoms consistent with COVID-19 that were confirmed in writing by a licensed health care provider on a form approved by the board of trustees and also confirmed by a positive test result for SARS-CoV-2.

A member who retired during the public health emergency may apply for a retirement allowance pursuant to this bill.

New onset diseases and chronic psychological disease resulting from prior exposure to, and recovery from, COVID-19 will not be deemed a permanent and total disability resulting from COVID-19.

For an accidental death benefit, a member whose death is attributable to COVID-19, complications therefrom, or the aggravation or acceleration of a preexisting condition caused thereby will be deemed to have occurred as the result of an accident met in the actual performance of duty at some definite time and place if:

- the member contracted COVID-19 and the member's death occurs after receiving a positive test result for SARS-CoV-2 during the public health emergency;

- the member dies as a result of COVID-19; and

- the member's regular or assigned duties required the member to interact, and the member so interacted, with the public or to directly supervise other personnel so interacting with the public on any date during the public health emergency and within 14 calendar days prior to the appearance of symptoms consistent with COVID-19 that were confirmed in writing by a licensed health care provider on a form approved by the board of trustees and also confirmed by a positive test result for SARS-CoV-2.

If a member dies during the public health emergency, a beneficiary may apply for a benefit pursuant to this bill.

Retired law enforcement officers, firefighters, and emergency medical responders who return to employment pursuant to Executive Order No. 115 of 2020 or any other executive order similarly permitting a retiree to return to work without reenrollment to assist during the public health emergency will not be eligible to convert their current retirement benefit to reflect the accidental disability and accidental death benefits provided in this bill.

Notice will be provided to all members of PFRS, PERS, and SPRS, those who have retired on or after March 9, 2020, and all those beneficiaries of members who have died on or after March 9, 2020 of the provisions of this bill within 30 days after the effective date.

The board of trustees for PFRS, PERS, and SPRS may adopt emergency regulations for the purposes of expeditious and effective implementation of the provisions of this bill.

This is retroactive to March 9, 2020.

As amended and reported by the committee, Assembly Bill No. 3914 (2R) is identical to a committee substitute for Senate Bill No. 2376, which also was reported by the committee on this date.

COMMITTEE AMENDMENTS

These amendments:

- Specify that a positive test result for SARS-CoV-2 and symptoms consistent with COVID-19 are eligibility requirements for a benefit provided in this bill.

Require that the confirmation of the illness be provided to the board of trustees on a form approved by the board of trustees of the retirement system.

Remove the provision that would have provided a benefit to a public employee who was performing duties but not yet a member so the retirement system.

Exclude a new onset disease and chronic psychological disease resulting from prior exposure to, and recovery from, COVID-19 from being deemed a permanent and total disability resulting from COVID-19.

Replace the description of the public health emergency and state of emergency declared by the Governor on March 9, 2020 with the specific reference to Executive Order No. 103 of 2020 that declared the public health emergency.

Specify that a member must have retired during the public health emergency, and not just have been approved for a retirement allowance, to be eligible for a benefit provided in this bill.

Require the board of trustees of the Police and Firemen's Retirement System, not the Division of Pensions and Benefits, to provide the required notice of this bill to all active members and to certain retirees.

FISCAL IMPACT:

The Office of Legislative Services notes that the bill will have an indeterminate cost increase to the Division of Pension and Benefits and the three retirement systems whose members would be eligible to receive benefits under the bill. The number of retirement system members to whom the bill may apply cannot be accurately estimated.